



MTN Nigeria Communications Plc
Unaudited condensed consolidated and separate financial statements
for the three months period ended 31 March 2022

MTN Nigeria Communications Plc

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Financial highlights

In millions of Nigerian Naira	Notes	3 Months ended 31 March 2022	3 Months ended 31 March 2021	% Change
Revenue	4	470,984	385,318	22.23
Operating profit		179,326	133,107	34.72
Profit before taxation		143,588	102,989	39.42
Profit for the period		96,820	73,748	31.28
Basic/ diluted earnings per share (N)	32	4.76	3.62	31.28

	As at 31 March 2022	As at 31 December 2021	% Change
Share capital	407	407	-
Total equity	356,984	264,981	34.72
Net assets per share (N)	17.54	13.02	34.72

Stock exchange information

Market price per share as at period end (N)	214.00	197.00	8.63
Market capitalisation as at period end (N'million)	4,355,970	4,009,935	8.63
Number of shares issued and fully paid as at period end (in millions)	20,355	20,355	-

The financial highlights reflect Group numbers only.

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Condensed consolidated and separate statement of profit or loss

In millions of Nigerian Naira	Notes	Group		Company	
		3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021
Revenue	4	470,984	385,318	470,691	385,241
Direct network operating costs	9	(107,275)	(92,347)	(107,275)	(92,347)
Value added services		(5,712)	(4,699)	(5,712)	(4,699)
Costs of starter packs, handsets and accessories.		(4,904)	(269)	(4,904)	(269)
Interconnect costs		(35,539)	(31,176)	(35,539)	(31,176)
Roaming costs		(1,215)	(851)	(1,215)	(851)
Transmission costs		(2,007)	(1,989)	(2,007)	(1,989)
Discounts and commissions		(21,790)	(18,914)	(21,324)	(18,733)
Advertisements, sponsorships and sales promotions		(5,951)	(3,609)	(5,726)	(3,457)
Employee costs	7	(10,997)	(9,316)	(10,782)	(9,131)
Depreciation of property and equipment	11	(40,979)	(32,224)	(40,979)	(32,224)
Depreciation of right of use assets	12	(24,566)	(20,717)	(24,566)	(20,717)
Amortisation of intangible assets	13	(12,277)	(18,502)	(10,947)	(17,172)
Other operating expenses	8	(18,446)	(17,598)	(17,250)	(17,383)
Operating profit		179,326	133,107	182,465	135,093
Finance income	5	4,587	1,227	4,543	1,227
Finance costs	6	(40,325)	(31,345)	(40,325)	(31,345)
Profit before taxation		143,588	102,989	146,683	104,975
Taxation	10	(46,768)	(29,241)	(47,697)	(29,836)
Profit for the period		96,820	73,748	98,986	75,139
Earnings per share					
Per share information					
Earnings per share- basic/diluted	32	4.76	3.62	4.86	3.69

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Condensed consolidated and separate statement of other comprehensive income

	Group		Company	
	3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021
In millions of Nigerian Naira				
Profit for the period	96,820	73,748	98,986	75,139
Items that may be reclassified to profit or loss				
Transfer of fair value reserve of investments designated at FVOCI*	52	-	52	-
Other comprehensive income for the period net of taxation	52	-	52	-
Total comprehensive income for the period	96,872	73,748	99,038	75,139
Attributable to:				
Owners of the parent	96,872	73,748	99,038	75,139
	96,872	73,748	99,038	75,139

*Financial assets classified as financial assets at fair value through other comprehensive income are Federal Government treasury bills investments which are exempted from company income tax.

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Condensed consolidated and separate statement of financial position

In millions of Nigerian Naira	Notes	Group		Company	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
Assets					
Non-current assets					
Property, plant and equipment	11	821,739	774,113	821,739	774,113
Intangible assets	13	345,103	245,558	320,199	219,324
Right-of-use assets	12	667,821	613,812	667,821	613,812
Investments in subsidiaries	14	-	-	57,928	57,928
Other Investments	15	10,587	10,845	10,587	10,845
Other non current assets	17	17,471	17,942	17,471	17,942
		1,862,721	1,662,270	1,895,745	1,693,964
Current assets					
Inventories	18	2,053	5,310	2,053	5,310
Trade and other receivables	19	125,792	127,232	137,118	135,958
Current investments	16	43,839	57,664	43,839	57,664
Restricted cash	20	210,641	146,188	210,413	146,188
Cash and cash equivalents	21	210,704	260,891	198,610	247,025
		593,029	597,285	592,033	592,145
Total assets		2,455,750	2,259,555	2,487,778	2,286,109
Equity and liabilities					
Equity					
Share capital	31.2	407	407	407	407
Share premium	31.3	17,216	17,216	17,216	17,216
Treasury shares	31.5	(4,869)	-	(4,869)	-
Other reserves		937	885	937	885
Retained profit		343,293	246,473	377,475	278,489
		356,984	264,981	391,166	296,997
Liabilities					
Non-current liabilities					
Borrowings	22	324,538	340,425	324,538	340,425
Lease liabilities	29	680,745	628,325	680,745	628,325
Deferred tax	27	87,853	104,683	87,846	103,747
Provisions	25	41	41	41	41
Employee benefits	28	5,993	6,549	5,993	6,549
Other non-current liabilities	26	11,612	8,547	11,612	8,547
		1,110,782	1,088,570	1,110,775	1,087,634
Current liabilities					
Trade and other payables	23	445,679	443,895	444,186	440,023
Current tax payable	30	207,761	144,163	207,489	143,891
Borrowings	22	170,194	152,835	170,194	152,835
Lease liabilities	29	71,846	62,531	71,846	62,531
Contract liabilities	24	67,028	72,336	66,646	71,954
Provisions	25	24,969	29,736	24,969	29,736
Employee benefits	28	507	136	507	136
Derivatives		-	372	-	372
		987,984	906,004	985,837	901,478
Total liabilities		2,098,766	1,994,574	2,096,612	1,989,112
Total equity and liabilities		2,455,750	2,259,555	2,487,778	2,286,109

The unaudited condensed consolidated and separate financial statements were approved by the Board of Directors on the 28 April 2022 and were signed on its behalf by:



Karl Toriola
Chief Executive Officer
FRC/2021/002/00000022839



Modupe Kadri
Chief Financial Officer
FRC/2020/001/00000020737

The accompanying notes form an integral part of the audited condensed consolidated and separate financial statements.

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Condensed consolidated and separate statement of changes in equity

In millions of Nigerian Naira	Share capital	Share premium	Total share capital	Treasury shares	Other reserves	Retained profit	Total equity
Group							
Balance at 01 January 2021	407	17,216	17,623	-	239	160,524	178,386
Profit for the period	-	-	-	-	-	73,748	73,748
Balance at 31 March 2021	407	17,216	17,623	-	239	234,272	252,134
Balance at 01 January 2022	407	17,216	17,623	-	885	246,473	264,981
Profit for the period	-	-	-	-	-	96,820	96,820
Other comprehensive income	-	-	-	-	52	-	52
Purchase of treasury shares	-	-	-	(4,869)	-	-	(4,869)
Balance at 31 March 2022	407	17,216	17,623	(4,869)	937	343,293	356,984
Company							
Balance at 01 January 2021	407	17,216	17,623	-	239	184,370	202,232
Profit for the period	-	-	-	-	-	75,139	75,139
Balance at 31 March 2021	407	17,216	17,623	-	239	259,509	277,371
Balance at 01 January 2022	407	17,216	17,623	-	885	278,489	296,997
Profit for the period	-	-	-	-	-	98,986	98,986
Other comprehensive income	-	-	-	-	52	-	52
Purchase of treasury shares	-	-	-	(4,869)	-	-	(4,869)
Balance at 31 March 2022	407	17,216	17,623	(4,869)	937	377,475	391,166

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Condensed consolidated and separate statement of cash flows

In millions of Nigerian Naira	Notes	Group		Company	
		3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021
Cash flows from operating activities					
Cash generated from operations	33	264,719	170,215	266,307	167,247
Interest paid		(40,135)	(24,457)	(40,135)	(24,457)
Interest received		4,146	877	4,102	877
Tax paid	30	-	(4,000)	-	(4,000)
Employee benefits payments	28	(176)	(37)	(176)	(37)
Share based payments		-	(376)	-	(376)
Provisions payments	25	(1,112)	(3,449)	(1,112)	(3,449)
Net cash generated from operating activities		227,442	138,773	228,986	135,805
Cash flows from investing activities					
Acquisition of property, plant and equipment		(52,156)	(31,350)	(52,156)	(31,350)
Acquisition of right of use assets		(5,073)	(276)	(5,073)	(276)
Proceeds from disposal of property, plant and equipment		3,176	142	3,176	142
Purchase of contract acquisition costs		(719)	(295)	(719)	(295)
Investment in non-current FGN bonds		260	6,967	260	6,967
Acquisition of other intangible assets		(141,529)	(61,519)	(141,529)	(61,519)
Purchase of bonds, treasury bills and foreign deposits		(24,086)	-	(24,086)	-
Sale of bonds, treasury bills and foreign deposits		38,221	33,152	38,221	33,152
Movement in restricted cash		(64,453)	(3,265)	(64,225)	(3,265)
Net cash flows used in investing activities		(246,359)	(56,444)	(246,131)	(56,444)
Cash flows from financing activities					
Proceeds from borrowings	22.1	-	118,230	-	118,230
Repayment of borrowings	22.1	(12,090)	(112,207)	(12,090)	(112,207)
Repayment on lease liabilities	29	(17,362)	(15,687)	(17,362)	(15,687)
Net cash flows used in financing activities		(29,452)	(9,664)	(29,452)	(9,664)
Net (decrease)/increase in cash and cash equivalents		(48,369)	72,665	(46,597)	69,697
Cash at the beginning of the period		261,494	275,825	247,628	271,668
Exchange (loss)/gain on cash and cash equivalents		(2,269)	201	(2,269)	201
Cash and cash equivalents at the end of the period	21	210,856	348,691	198,762	341,566

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Notes to the unaudited condensed consolidated and separate financial statements

1 General information

MTN Nigeria Communications Plc formerly MTN Nigeria Communications Limited, (the Company) together with its subsidiaries (the Group) carry on the business of building and operating GSM Cellular Network Systems and other related services nationwide in Nigeria.

MTN Nigeria Communications Plc subsidiaries are XS Broadband Limited, Visafone Communications Limited and Yello Digital Financial Services Limited. Their principal activities are the provision of broadband fixed wireless access service, high quality telecommunication services and mobile financial services (fintech) respectively. Visafone Communications Limited is currently undergoing liquidation.

2. Basis of preparation

These condensed consolidated and separate financial statements for the three months period ended 31 March 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) 34 Interim Financial Reporting.

The condensed consolidated and separate financial statements does not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 31 December 2021 which has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and with the requirements of the Companies and Allied Matters Act of Nigeria (CAMA) 2020.

The condensed consolidated and separate financial statements have been prepared under the historical cost basis except for derivatives measured at fair value and debt instruments measured at fair value through profit or loss and at fair value through other comprehensive income. Historical cost is generally based on the fair value of the consideration given in exchange for assets

The consolidated and separate financial statements are presented in Naira and rounded to the nearest millions, except where stated otherwise.

The accounting policies applied in the preparation of the interim condensed consolidated and separate financial statements are consistent with those followed in the preparation of the Group's consolidated and separate financial statements for the year ended 31 December 2021.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the condensed consolidated and separate financial statements of the Group.

2.1 Share based payments

At the beginning of the year, MTN Nigeria commenced a new share scheme for its employees, the Performance Share Plan (PSP) and Employee Share Ownership plan (ESOP). The new scheme is being managed by a Trust. This new plan replaces the Notional Share Option (NSO) scheme.

The Notional Share Option (NSO) scheme will be wound up once all unvested and/or unexercised awards previously made have run their course. It is a cash-settled scheme on which gains are calculated from appreciation in both the MTN Group share price and operational performance measured using EBITDA. The strike price for the NSO schemes are determined by the closing market price of the MTN Group Limited shares on the day prior to the date of allocation. Unexercised options and rights lapse 10 years from the date of grant and are forfeited if the employee leaves the group before they vest.

The Performance Share Plan (PSP) is a conditional share offer to its management employees. PSP awards are conditional rights to receive a certain number of shares by qualifying participants annually. The vesting period for the PSP is three years and the awards vest in full based on set performance targets. Employees are not entitled to receive dividends on the shares during the vesting period. The total number of shares which may be allocated for the purposes of the schemes shall not exceed 0.1% of the total issued ordinary share capital of the company, being 20,354,513,050 shares as approved by the board of directors in 2021.

The Employee Share Ownership Plan (ESOP) is a one-off share offer to its eligible non-management employees at no cost to participants. The plan is not tied to the company performance. The shares will vest as follows:

- 1/3 vesting after 3 years,
- the second 1/3 after 4 years and
- the final 1/3 after 5 years of the grant date.

The fair value of share options granted is estimated at the date of grant using a Monte-Carlo simulation model, taking into account the terms and conditions on which the share options were granted.

3. Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Committee (EXCOM), to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned.

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3. Segmental reporting (continued)

The Group has identified three reportable segments that are used by the Executive Committee (EXCOM) to make key operating decisions. All operating segment results are reviewed regularly by EXCOM to make decisions about resources to be allocated and to assess its performance. The reportable segments are largely grouped according to customer type for which discrete financial information is available. The customer segments are as follows:

- Consumer Business Unit (CBU)
- Enterprise Business Unit (EBU)
- Wholesale Business Unit (WBU)

Operating results are reported and reviewed regularly by the EXCOM and include items directly attributable to a segment.

Customer segment	Description
Consumer Business Unit (CBU)	It consists of subscribers sitting in value propositions and tariff plans dedicated to three sub segments: Youth, High Value and Mass segments. All MTN customers are assumed to fall within CBU except where otherwise stated.
Enterprise Business Unit (EBU)	Enterprise customers are corporate and small medium organisations whose business requires our products, services and solutions to serve their everyday business needs.
Wholesale Business Unit (WBU)	The Wholesale business, serves customers who buy MTN telecom products in bulk with the intention to re-sell these products (mobile or fixed) to their external clients.

A key performance measure of the Group is gross margin. This is defined as revenue less direct costs. The table below presents revenue, direct costs and gross margin for the Group's operating segments for the three months period ended 31 March 2022 and 31 March 2021.

In millions of Nigerian Naira	CBU	EBU	WBU	Total
31 March 2022				
Segment revenue	412,780	45,867	12,337	470,984
Direct costs*	(72,086)	(2,936)	(4,546)	(79,568)
Gross margin	340,694	42,931	7,791	391,416
31 March 2021				
Segment revenue	340,634	34,237	10,447	385,318
Direct costs*	(49,659)	(3,162)	(4,192)	(57,013)
Gross margin	290,975	31,075	6,255	328,305

*Direct costs include transmission costs, regulatory fees (reported in direct network operating costs), costs of handsets and accessories, value added services costs and commissions costs in discount and commissions

Reconciliation of reportable segment revenue and profit or loss

Revenues

There are no significant reconciling items between the reportable segment revenue and total revenue for the period.

The revenue of the Company is generated majorly from one geographical location, Nigeria.

None of the Company's customers account for 10% or more of the total revenue of the Company.

In millions of Nigerian Naira	31 March 2022	31 March 2021
Segment gross margin	391,416	328,305
Less unallocated expenses:		
Other income	-	-
Operating expenses	(134,268)	(123,755)
Depreciation & amortisation	(77,822)	(71,443)
Finance income	4,587	1,227
Finance expense	(40,325)	(31,345)
Profit before taxation	143,588	102,989

Segment assets and liabilities

The Group has not provided information on reportable segment assets and liabilities as they are not part of the items regularly reviewed by the Executive Committee (EXCOM) to make operating decisions.

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	Group		Company	
	3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021
In millions of Nigerian Naira				

4. Revenue

Revenue from contracts with customers

Voice	218,408	208,622	218,408	208,622
Data	163,308	105,704	163,308	105,704
SMS	13,345	10,671	13,345	10,671
Interconnect and roaming	45,596	39,298	45,830	39,298
Handset and accessories	1,165	207	1,165	207
Digital	5,108	3,781	5,108	3,781
Value added services	20,892	14,265	20,365	14,188
Other revenues	3,162	2,770	3,162	2,770
	470,984	385,318	470,691	385,241

Data revenue excludes roaming data, roaming data is reported under interconnect and roaming.

Other revenue comprises revenue from cloud and infrastructure services, information and communication technology (ICT) revenue.

5. Finance income

Interest income on bank deposits*	3,888	302	3,844	302
Interest income on amortised cost investments*	88	650	88	650
Net gain on FVTPL investments	171	-	171	-
Interest income on related party receivables*	-	2	-	2
Interest income - others	258	-	258	-
Currency swap gain	182	273	182	273
	4,587	1,227	4,543	1,227

*Finance income calculated using effective interest rate method.

6. Finance costs

Interest expense - banking fees	575	653	575	653
Net foreign exchange loss	1,792	1,611	1,792	1,611
Interest expense - leases*	23,271	21,588	23,271	21,588
Interest expense - borrowings*	14,687	6,701	14,687	6,701
Net loss on FVTPL investments	-	792	-	792
	40,325	31,345	40,325	31,345

*Finance costs calculated using effective interest rate method.

7. Employee costs

Salaries and wages	6,725	7,155	6,510	6,970
Pension - Defined contribution plan	483	480	483	480
Share-based expense	3,065	942	3,065	942
Long service award	(9)	-	(9)	-
Other staff costs	733	739	733	739
	10,997	9,316	10,782	9,131

Other staff costs comprises of mortgage subsidy, long service award, termination benefits, reward and recognition, Group life insurance, medical expenses.

Share-based expense is made up NSO provision of N1.600 billion and PSP provision of N1.465 billion.

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	Group		Company	
	3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021

In millions of Nigerian Naira

8. Other operating expenses

Audit fees	125	105	123	104
Credit loss (reversal)/ expense on trade and other receivables	(356)	578	(356)	578
Information technology development levy	1,467	1,050	1,467	1,050
Professional fees	7,576	6,650	6,498	6,437
Credit loss (reversal)/ expense on cash and cash equivalent, treasury bills and bonds	(503)	130	(503)	130
Covid-19 related expenses	-	1,311	-	1,310
Profit on disposal of property, plant and equipment	(419)	(118)	(419)	(118)
Impairment of property, plant and equipment	3	26	3	26
Rent, rates, utilities and other office running cost	484	1,231	484	1,231
Directors' emoluments	145	140	145	140
Stamp duties	1	-	1	-
Insurance	614	484	614	484
MTN Foundation	990	756	990	756
Maintenance costs	6,086	4,698	6,086	4,698
National Agency for Science and Engineering Infrastructure levy*	367	-	367	-
Trainings, travels and entertainment cost	917	215	906	215
Other expenses**	949	342	844	342
	18,446	17,598	17,250	17,383

*National Agency for Science and Engineering Infrastructure (NASANI) levy is computed and recognised at 0.25% of profit before tax in line with Finance Act, 2021.

**Other expenses includes bank charges, subscriptions, office refreshments, security costs, etc.

9. Direct network operating costs

Following the adoption of IFRS 16 leases, BTS lease expense relating to the non-lease components (power and maintenance) of the tower lease contracts are recognised as an expense in profit or loss as they are incurred.

Regulatory fees	10,504	8,910	10,504	8,910
Annual Numbering Plan	2,597	1,672	2,597	1,672
BTS leases	78,496	65,858	78,496	65,858
Network Maintenance	15,678	15,907	15,678	15,907
	107,275	92,347	107,275	92,347

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	Group		Company	
	3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2021
In millions of Nigerian Naira				
10. Income tax expense				
Current tax				
Company income tax	58,645	30,785	58,645	30,785
Education tax	4,946	2,360	4,946	2,360
Nigerian police trust fund	7	5	7	5
	63,598	33,150	63,598	33,150
Deferred				
Deferred tax credit	(16,830)	(3,909)	(15,901)	(3,314)
	46,768	29,241	47,697	29,836
Tax rate reconciliation				
Profit before tax	143,588	102,989	146,683	104,975
Tax charge	46,768	29,241	47,697	29,836
Effective tax rate	32.57 %	28.39 %	32.52 %	28.42 %
Tax at standard rate	30.00	30.00	30.00	30.00
Expenses not allowed	0.31	0.57	0.33	0.56
Prior year over provision - deferred tax	(0.86)	(4.68)	(0.85)	(4.59)
Investment allowance	(0.28)	(0.01)	(0.28)	(0.01)
Exempt income	(0.02)	(0.19)	(0.02)	(0.19)
Education tax	3.41	2.69	3.33	2.64
Minimum tax/Capital Gain Tax/Police Trust Fund	0.01	0.01	0.01	0.01
Effective tax rate	32.57	28.39	32.52	28.42

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11. Property, plant and equipment

Group and Company

In millions of Nigerian Naira

	Land & Buildings	Leasehold property	Information systems, furniture and office equipment	Motor vehicles	Network Infrastructure	Capital - work in progress	Total
At 31 December 2021							
Cost	34,566	23,624	67,184	9,729	1,108,265	143,968	1,387,336
Accumulated depreciation and impairment	(20,403)	(9,685)	(38,812)	(2,727)	(541,596)	-	(613,223)
Carrying amount	14,163	13,939	28,372	7,002	566,669	143,968	774,113
Cost							
At 01 January 2022	34,566	23,624	67,184	9,729	1,108,265	143,968	1,387,336
Additions	511	83	1,261	216	19,424	39,222	60,717
Reclassification*	-	-	-	-	-	27,905	27,905
Disposals	-	-	(102)	-	(18)	-	(120)
At 31 March 2022	35,077	23,707	68,343	9,945	1,127,671	211,095	1,475,838
Depreciation and impairment							
At 01 January 2022	(20,403)	(9,685)	(38,812)	(2,727)	(541,596)	-	(613,223)
Depreciation	(229)	(401)	(3,684)	(457)	(36,208)	-	(40,979)
Disposals	-	-	96	-	10	-	106
Impairment	-	-	-	-	(3)	-	(3)
At 31 March 2022	(20,632)	(10,086)	(42,400)	(3,184)	(577,797)	-	(654,099)
Carrying amount							
At 31 December 2021	14,163	13,939	28,372	7,002	566,669	143,968	774,113
At 31 March 2022	14,445	13,621	25,943	6,761	549,874	211,095	821,739

*Reclassification relates to items reclassified from intangible assets to property, plant and equipment.

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12. Right of use assets

Group and Company

In millions of Nigerian Naira	Base station land	Buildings	Motor vehicles	Office equipment	Network infrastructure	Total
At 31 December 2021						
Cost	10,535	5,820	9,332	398	795,091	821,176
Accumulated depreciation and impairment	(5,570)	(3,670)	(2,316)	(398)	(195,410)	(207,364)
Carrying amount	4,965	2,150	7,016	-	599,681	613,812
Cost						
1 January 2022	10,535	5,820	9,332	398	795,091	821,177
Additions	4,036	-	-	-	77,282	81,318
Retirement	(5,067)	-	-	-	-	(5,067)
At 31 March 2022	9,504	5,820	9,332	398	872,373	897,428
Depreciation and impairment						
At 1 January 2022	(5,570)	(3,670)	(2,316)	(398)	(195,410)	(207,364)
Depreciation	(746)	(355)	(468)	-	(22,997)	(24,566)
Retirement	2,324	-	-	-	-	2,324
At 31 March 2022	(3,992)	(4,025)	(2,784)	(398)	(218,407)	(229,606)
Carrying amount						
At 31 December 2021	4,965	2,150	7,016	-	599,681	613,812
At 31 March 2022	5,512	1,795	6,548	-	653,966	667,821

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13. Intangible assets

In millions of Nigerian Naira	Goodwill	Licenses	Computer software	Capital work-in-progress	Total
Group					
At 31 December 2021					
Cost	10,016	212,537	118,499	30,253	371,305
Accumulated amortisation and impairment	-	(57,844)	(67,903)	-	(125,747)
Carrying amount	10,016	154,693	50,596	30,253	245,558
Cost					
At 01 January 2022	10,016	212,537	118,499	30,253	371,305
Additions	-	119,277	3,816	16,633	139,726
Reclassification	-	-	-	(27,905)	(27,905)
At 31 March 2022	10,016	331,814	122,315	18,981	483,126
Amortisation and impairment					
At 01 January 2022	-	(57,844)	(67,903)	-	(125,747)
Amortisation	-	(4,867)	(7,409)	-	(12,276)
At 31 March 2022	-	(62,711)	(75,312)	-	(138,023)
Carrying amount					
At 31 December 2021	10,016	154,693	50,596	30,253	245,558
At 31 March 2022	10,016	269,103	47,003	18,981	345,103
Company					
At 31 December 2021					
Cost		212,537	70,679	30,253	313,469
Accumulated amortisation and impairment		(57,844)	(36,301)	-	(94,145)
Carrying amount		154,693	34,378	30,253	219,324
Cost					
Balance at 01 January 2022		212,537	70,679	30,253	313,469
Additions		119,277	3,816	16,633	139,726
Reclassification		-	-	(27,905)	(27,905)
At 31 March 2022		331,814	74,495	18,981	425,290
Amortisation and impairment					
Balance as at 01 January 2022		(57,844)	(36,301)	-	(94,145)
Amortisation		(4,867)	(6,079)	-	(10,946)
At 31 March 2022		(62,711)	(42,380)	-	(105,091)
Carrying amount					
At 31 December 2021		154,693	34,378	30,253	219,324
At 31 March 2022		269,103	32,115	18,981	320,199

Reclassification relates to items reclassified from property, plant and equipment to intangible assets.

Goodwill relates to the acquisition of Visafone Communications Limited.

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021

14. Investment in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Visafone Communications Limited	-	-	43,778	43,778
XS Broadband Limited	-	-	500	500
Yello Digital Financial Services Limited	-	-	14,150	14,150
	-	-	58,428	58,428
Impairment (XS Broadband Ltd)	-	-	(500)	(500)
	-	-	57,928	57,928

15. Other investments

Treasury bonds at amortised cost	7,426	7,710	7,426	7,710
NGN deposits at amortised cost	3,365	3,340	3,365	3,340
Allowance for expected credit losses	(204)	(205)	(204)	(205)
	10,587	10,845	10,587	10,845

16. Current investments

US Dollar deposits held at amortised cost	10,669	15,526	10,669	15,526
NGN deposits at amortised cost	2,691	26,530	2,691	26,530
Treasury bills held at amortised cost	9,788	9,529	9,788	9,529
Allowance for expected credit losses	(90)	(141)	(90)	(141)
Net current investments at amortised cost	23,058	51,444	23,058	51,444
Treasury bills held at FVOCI	6,179	-	6,179	-
Treasury bills held at FVTPL	14,602	6,220	14,602	6,220
	43,839	57,664	43,839	57,664

17. Other non current assets

Contract acquisition costs

Opening balance	5,602	7,990	5,602	7,990
Additions	719	1,795	719	1,795
Amortised in the year	(878)	(4,183)	(878)	(4,183)
	5,443	5,602	5,443	5,602

Non current prepayment

	12,028	12,340	12,028	12,340
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Total non-current assets

	17,471	17,942	17,471	17,942
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18. Inventories

Handsets and accessories	1,675	2,506	1,675	2,506
Starter packs	2,144	3,477	2,144	3,477
	3,819	5,983	3,819	5,983
Inventories (write-downs)	(1,766)	(673)	(1,766)	(673)
	2,053	5,310	2,053	5,310

During the period, there was an additional inventory write-down of N1.09 billion for starter pack, handsets and accessories. This is recognised in the cost of starter pack, handsets and accessories in the statement of profit or loss.

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
19. Trade and other receivables				
Financial instruments:				
Trade receivables	53,327	43,425	53,053	42,467
Trade receivables - related parties	34 17,232	12,277	28,145	21,467
Allowance for expected credit losses	(8,721)	(9,077)	(8,303)	(8,659)
	<u>61,838</u>	<u>46,625</u>	<u>72,895</u>	<u>55,275</u>
Other receivables	15,526	12,194	15,820	12,201
	<u>77,364</u>	<u>58,819</u>	<u>88,715</u>	<u>67,476</u>
Non-financial instruments:				
Sundry receivables and advances	213	132	213	177
Other non-financial receivables*	30,265	26,681	30,243	26,708
Prepayments	17,950	41,600	17,947	41,597
	<u>48,428</u>	<u>68,413</u>	<u>48,403</u>	<u>68,482</u>
	<u>125,792</u>	<u>127,232</u>	<u>137,118</u>	<u>135,958</u>

*Other non-financial receivables includes the placement of minimum capital with Central Bank of Nigeria (CBN) for Payment Service Bank license and withholding tax receivables.

20. Restricted cash

Restricted cash deposits	210,641	146,188	210,413	146,188
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Restricted cash represents deposits with banks to secure Letters of Credit and collateral against repayment on borrowings. Also included in restricted cash is the retention fee on purchase of Visafone Communications Limited.

21. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	97,617	123,149	90,814	109,374
Short-term deposits	113,239	138,345	107,948	138,254
	<u>210,856</u>	<u>261,494</u>	<u>198,762</u>	<u>247,628</u>
Allowance for expected credit losses	(152)	(603)	(152)	(603)
	<u>210,704</u>	<u>260,891</u>	<u>198,610</u>	<u>247,025</u>

22. Borrowings

The maturity of the loans is as follows:

Payable within one year (included in current liabilities)	170,194	152,835	170,194	152,835
More than one year but not exceeding two years	85,544	85,544	85,544	85,544
More than two years but not exceeding five years	220,638	236,525	220,638	236,525
More than five years	18,356	18,356	18,356	18,356
Amounts included in non-current liabilities	<u>324,538</u>	<u>340,425</u>	<u>324,538</u>	<u>340,425</u>
Total borrowings	<u>494,732</u>	<u>493,260</u>	<u>494,732</u>	<u>493,260</u>

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	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
In millions of Nigerian Naira				

22. Borrowings (continued)

22.1. Borrowings reconciliation

Opening balance	493,260	521,150	493,260	521,150
Drawdown	-	417,926	-	417,926
Repayment	(12,089)	(502,212)	(12,089)	(502,212)
Accrued interest	14,687	49,249	14,687	49,249
Revaluation loss	(1,126)	7,147	(1,126)	7,147
Closing balance	494,732	493,260	494,732	493,260

22.2 Summary of borrowing arrangements

MTN Nigeria has a loan portfolio with a consortium of local banks, foreign banks and export development agencies. The details of the facilities are as follows:

Facility	Type	Outstanding balance as at 31 March 2022
Local facility M	N200 billion local currency term loan maturing in 2025, variable interest loan, linked to average 3-Month NIBOR plus a margin of 1.75%.	N109 billion
Local facility N	N200 billion local currency term loan maturing in 2026, variable interest loan, linked to average 3-Month NIBOR plus a margin of 1.75%. The Group prepaid N75Bn of this facility from the proceeds of fixed rate Bond issuance to reduce exposure to volatility in short term interest rate	N45 billion
Foreign facility O	US\$95 million Syndicated Facility from AFC and RMB was arranged in 2020, with one-year moratorium. The facility is in two tranches (O1 and O2) of US\$15 million and US\$80 million, respectively. Both Tranches have been fully drawn. Facility O principal will be repaid over 5 equal semi-annual installments which will commence in December 2021. It is a floating interest loan linked to the 6 month LIBOR plus a 5.5% margin.	US\$76 million
Local bonds	The local bonds are two series bond issuance programmes comprising of: - Series I: N110.001 billion 7 Year 13% Bonds due 2028. - Series II: N89.999 billion 10 year 12.75% Bonds due 2031. Series I principal repayments will occur twice in May 2027 and 2028 respectively. Series II principal repayments will also occur twice, 2030 and 2031 respectively	N200 billion
Trade Loans	A total of \$470 million trade loans for the establishment of Letters of Credit with various local Banks. The loans attract Pre and Post Negotiation charges and the facility are largely cash backed. The sum of \$236 million was due and unpaid as at March 2022 as trade loans for Letters of Credit.	N98.1 billion

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
23. Trade and other payables				
Financial instruments:				
Trade payables	100,249	63,829	100,903	63,814
Trade payables - related parties	34 25,911	32,839	26,248	33,176
Other accrued expenses*	203,894	208,239	202,836	206,953
Other payables**	532	527	532	527
	330,586	305,434	330,519	304,470
Non-financial instruments				
Other non-financial accrued expenses***	79,162	107,059	79,162	107,059
Sundry payables	2,710	3,971	1,322	1,085
Other non-financial payables****	33,221	27,431	33,183	27,409
	115,093	138,461	113,667	135,553
	445,679	443,895	444,186	440,023

*Other accrued expenses include BTS lease accruals.

**Other payables include unclaimed dividend returned and retention fee on purchase of Visafone.

***Other non-financial accrued expenses include CAPEX accruals, inventory accruals and other regulatory fees.

****Other non-financial payables include withholding and value added tax liabilities.

24. Contract liabilities

Opening balance	72,336	62,301	71,954	61,919
Payments received in advance of delivery of performance obligations	436,311	449,829	436,311	449,829
Revenue recognised in delivery of goods/services	(441,619)	(439,794)	(441,619)	(439,794)
Closing balance	67,028	72,336	66,646	71,954

Contract liability relates to payments received in advance from sales of recharge cards and on Subscriber Identification Module (SIM) cards. Contract liabilities are recognised as revenue when the subscribers use the airtime for network services such as voice, SMS, data and digital services and when the SIM cards are activated on the network.

25. Provisions

At beginning of period	29,777	24,771	29,777	24,771
Additions	1,873	29,132	1,873	29,132
Unused amounts reversed	(5,528)	(12,659)	(5,528)	(12,659)
Utilised	(1,112)	(11,467)	(1,112)	(11,467)
At end of period	25,010	29,777	25,010	29,777

Split between non-current and current portions

Non-current liabilities	41	41	41	41
Current liabilities	24,969	29,736	24,969	29,736
	25,010	29,777	25,010	29,777

26. Other non-current liabilities

Share based payment liability

Opening balance	8,547	2,273	8,547	2,273
Share based expense	3,065	8,689	3,065	8,689
Share based payments	-	(2,415)	-	(2,415)
Closing balance	11,612	8,547	11,612	8,547

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021

27. Deferred tax

Deferred tax

Opening balance	104,683	113,130	103,747	108,693
Writeback to profit or loss	(16,830)	(4,946)	(15,901)	(4,946)
Arising on consolidation	-	(3,501)	-	-
Closing balance	87,853	104,683	87,846	103,747

The deferred tax assets and liabilities have been offset because the Group has a legally enforceable right to setoff current tax assets against current tax liabilities. They also relate to income taxes levied by the same taxation authority.

28. Employee benefits

Present value of defined benefit obligation	6,685	8,261	6,685	8,261
Current service cost	(9)	772	(9)	772
Interest cost	-	771	-	771
Curtailement cost	-	(788)	-	(788)
Actuarial gains	-	(950)	-	(950)
Current year gain	-	(902)	-	(902)
Benefits paid by the plan	(176)	(479)	(176)	(479)
	6,500	6,685	6,500	6,685

Employment benefits comprise of the present values of :

Defined Benefit Obligation- retirement benefits	1,994	1,994	1,994	1,994
Long Service Awards	4,506	4,691	4,506	4,691
	6,500	6,685	6,500	6,685

Current to non-current split

Current	507	136	507	136
Non-current	5,993	6,549	5,993	6,549
	6,500	6,685	6,500	6,685

29. Lease liabilities

The statement of financial position shows the following amounts relating to leases:

Non-current liabilities	680,745	628,325	680,745	628,325
Current liabilities	71,846	62,531	71,846	62,531
	752,591	690,856	752,591	690,856

Lease liabilities reconciliation

Opening balance	690,856	641,790	690,856	641,790
Additions	77,316	103,172	77,316	103,172
Interest capitalised	23,271	86,373	23,271	86,373
Revaluations	1,781	3,172	1,781	3,172
Payments - principal portion	(17,362)	(57,977)	(17,362)	(57,977)
Payments - interest portion	(23,271)	(85,674)	(23,271)	(85,674)
	-	-	-	-
	752,591	690,856	752,591	690,856

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021

30. Current tax payable

Opening balance	144,163	107,310	143,891	107,038
Provision for the period/year - company income tax	58,645	128,653	58,645	128,653
Provision for the period/year - education tax	4,946	13,343	4,946	13,343
Provision for the year/ period - Nigerian Police Trust Fund	7	22	7	22
Tax paid	-	(109,931)	-	(109,931)
Prior year under provision	-	4,766	-	4,766
Closing balance	207,761	144,163	207,489	143,891

31. Equity

31.1 Share capital

Authorised:

27,850,000,000 ordinary shares of N0.02 each	557	557	557	557
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31.2 Share capital

Issued and fully paid:

20,354,513,050 ordinary shares of N0.02 each	407	407	407	407
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31.3 Share Premium

4,500,000 ordinary shares of N 3,779.89 each	17,009	17,009	17,009	17,009
138,960 ordinary shares of N 1,488.15 each	207	207	207	207
	17,216	17,216	17,216	17,216

31.4 Dividends

Final dividend for 2020 N5.90 kobo per share	-	120,092	-	120,092
Interim dividend for 2021: N4.55 kobo per share	-	92,613	-	92,613
	-	212,705	-	212,705

31.5 Treasury shares

Treasury shares	(4,869)	-	(4,869)	-
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Treasury shares represent 28,809,789 ordinary shares of MTN Nigeria acquired and held in trust by Vetiva Trustee Limited for the purpose of employee share scheme implementation (2021: Nil).

32. Earnings per share

Basic earnings per share

Profit attributable to equity holders	96,820	73,748	98,986	75,139
Weighted average number of ordinary shares (million)	20,355	20,355	20,355	20,355
Basic/diluted EPS (N)	4.76	3.62	4.86	3.69

Earnings per share is calculated by dividing the profit after tax attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares held as treasury shares (31 March 2022: 28,809,789; 31 March 2021: Nil)

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares and is based on the net profit attributable to ordinary shareholders, adjusted for the after-tax dilutive effect.

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In millions of Nigerian Naira	Notes	Group		Company	
		3 Months ended 31 March 2022	3 Months ended 31 March 2021	3 Months ended 31 March 2022	3 Months ended 31 March 2022
33. Cash generated from operations					
Profit before taxation		143,588	102,989	146,683	104,975
Adjustments for non cash items:					
Finance income	5	(4,587)	(1,227)	(4,543)	(1,227)
Finance costs	6	40,325	31,345	40,325	31,345
Depreciation of property and equipment		40,979	32,224	40,979	32,224
Depreciation of right of use assets		24,566	20,717	24,566	20,717
Amortisation of intangible assets		12,277	18,502	10,947	17,172
Amortisation of contract cost		878	1,381	878	1,381
Profit on disposals of property and equipment	8	(419)	(118)	(419)	(118)
Impairment of property and equipment	8	3	26	3	26
Credit loss (reversal)/expense on cash and cash equivalent, treasury bills and bonds	8	(503)	130	(503)	130
Credit loss (reversal)/expense on trade and other receivables	8	(356)	578	(356)	578
Impairment/(reversal of impairment charge) on trading inventory		1,093	(4)	1,093	(4)
Post employment benefit plan (charge reversal)/ expense		(9)	103	(9)	103
Provision (reversal)/expense		(3,655)	1,395	(3,655)	1,395
Share based expense	7	3,065	942	3,065	942
		257,245	208,983	259,054	209,639
Changes in working capital:					
Decrease/(increase) in inventories		2,164	(2,865)	2,164	(2,865)
Decrease/(increase) in trade and other receivables		2,682	(99,961)	81	(99,088)
Increase in trade and other payables		7,936	59,075	10,316	54,578
Decrease/(increase) in contract liabilities		(5,308)	4,983	(5,308)	4,983
		7,474	(38,768)	7,253	(42,392)
		264,719	170,215	266,307	167,247

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	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
In millions of Nigerian Naira				

34. Related party transactions

Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged.

Various transactions are entered into by the Company and its subsidiaries during the year with related parties. The terms of these transactions are at arm's length. Intra-group transactions are eliminated on consolidation.

Holding and ultimate holding companies

The Company's holding company is MTN International (Mauritius) Limited, a Company incorporated in the Republic of Mauritius and its ultimate holding Company is MTN Group Limited, a Company incorporated in South Africa. MTN Nigeria Communications Plc's subsidiaries are XS Broadband Limited, Yellow Digital Financial Services Limited and Visafone Communications Limited. Their principal activities are the provision of broadband fixed wireless access service, mobile financial services and high quality telecommunication service respectively.

The following is a summary of transactions between the Group and its related parties during the year and balances due at year end:

Parent Company: MTN International (Mauritius) Limited

Dividends paid (excluding withholding tax): MTN International (Mauritius) Ltd	-	149,687	-	149,687
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Subsidiaries:

Visafone Communications Limited				
Amounts (due to)/due from related party	-	-	(337)	(337)
Yello Digital Financial Services Limited				
Net settlement of liabilities by the subsidiary	-	-	1,723	6,202
Amounts due from related party	-	-	10,275	8,552
XS Broadband Limited				
Amounts due from related party	-	-	638	638

Amounts due to related parties

MTN Uganda	1	1	1	1
MTN Zambia	5	5	5	5
MTN Dubai	351	183	351	183
Global Trading Company	1,508	1,367	1,508	1,367
MTN Management Services Co	716	726	716	726
MTN Cameroon	280	285	280	285
MTN Congo	6	6	6	6
MTN Cote d'Ivoire	85	87	85	87
MTN Ghana	15	14	15	14
MTN Guinea Bissau	1	1	1	1
Interserve Overseas Ltd)	10,554	9,997	10,554	9,997
Simply Africa	37	37	37	37
MTN Global Connect	1,849	850	1,849	850
Mobile Telephone Networks (Pty) Ltd	252	71	252	71
MTN International (Mauritius) Limited	10,236	19,195	10,236	19,195
MTN Holdings	15	14	15	14
	25,911	32,839	25,911	32,839

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
34. Related party transactions (continued)				
Amounts due from related parties				
MTN Uganda	-	-	-	-
MTN Zambia	65	61	65	61
MTN Dubai	7	7	7	7
MTN Group Management Services Co	3,423	3,229	3,423	3,229
MTN Cameroon	370	377	370	377
MTN Congo	28	29	28	29
MTN Cote d'Ivoire	145	146	145	146
MTN Guinea Bissau	32	32	32	32
MTN Guinea Conakry	27	26	27	26
Lonestar Communications Corporations (Liberia)	57	53	57	53
MTN Global Connect	13,061	8,300	13,061	8,300
Mobile Telephone Networks (Pty) Ltd	17	17	17	17
	17,232	12,277	17,232	12,277
Summary of amounts due to and due from related parties:				
Amount due to related parties				
Related parties	25,911	32,839	25,911	32,839
Subsidiaries	-	-	337	337
23	25,911	32,839	26,248	33,176
Amount due from related parties				
Related parties	17,232	12,277	17,232	12,277
Subsidiaries	-	-	10,913	9,190
19	17,232	12,277	28,145	21,467

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In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
34. Related party transactions (continued)				
Purchases from related parties				
MTN Sudan	4	4	4	4
MTN Syria	-	1	-	1
MTN Uganda	1	3	1	3
MTN Zambia	-	1	-	1
MTN Swaziland	-	1	-	1
Global Trading Company	500	500	500	500
MTN Benin	85	176	85	176
MTN Cameroon	11	26	11	26
MTN Congo	1	1	1	1
MTN Cote d'Ivoire	3	10	3	10
MTN Ghana	8	70	8	70
MTN Guinea Bissau	-	1	-	1
MTN Rwanda	2	5	2	5
Lonestar Communications Corporations (Liberia)	2	4	2	4
MTN Namibia	3	1	3	1
MTN South Sudan	1	2	1	2
MTN Cyprus	1	2	1	2
MTN Global Connect	18,346	18,347	18,346	18,347
Mobile Telephone Networks (Pfy) Ltd	4	21	4	21
Sales to related parties				
MTN Uganda	1	3	1	3
MTN Zambia	8	9	8	9
MTN Benin	34	139	34	139
MTN Cameroon	18	43	18	43
MTN Cote d'Ivoire	8	14	8	14
MTN Ghana	20	76	20	76
MTN Rwanda	1	2	1	2
MTN Guinea Conakry	-	1	-	1
MTN Namibia	-	1	-	1
Lonestar Communications Corporations (Liberia)	3	4	3	4
MTN South Sudan	9	25	9	25
MTN Global Connect	33,593	33,594	33,593	33,594
Mobile Telephone Networks (Pfy) Ltd	16	42	16	42

The receivables from related parties arise mainly from professional, roaming and interconnect services transactions rendered on behalf of other operations within MTN Group. These are due one month after the date of rendering of service.

Trade payables to related parties arise mainly from professional fees, interconnect, roaming service transactions rendered on MTN Nigeria's behalf by other operations within the MTN Group and are due one month after the date of purchase.

No allowance for expected credit loss on receivables from related parties because MTN Nigeria is in a net payable position.

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35. Accounting classes and fair values

Group	Amortised costs	FVTPL	FVOCI	Total carrying amount
In millions of Nigerian Naira				
31 March 2022				
Non-current financial assets				
Other Investments	10,587	-	-	10,587
	10,587	-	-	10,587
Current financial assets				
Trade and other receivables	77,364	-	-	77,364
Current investment	23,058	14,602	6,179	43,839
Cash at bank and on hand	210,704	-	-	210,704
Restricted cash	210,641	-	-	210,641
	521,767	14,602	6,179	542,548
	532,354	14,602	6,179	553,135
Non-current financial liabilities				
Borrowings	324,538	-	-	324,538
Lease liabilities	680,745	-	-	680,745
	1,005,283	-	-	1,005,283
Current financial liabilities				
Trade and other payables	330,586	-	-	330,586
Borrowings	170,194	-	-	170,194
Lease liabilities	71,846	-	-	71,846
	572,626	-	-	572,626
	1,577,909	-	-	1,577,909
31 December 2021				
Non-current financial assets				
Other Investments	10,845	-	-	10,845
	10,845	-	-	10,845
Current financial assets				
Trade and other receivables	58,819	-	-	58,819
Current investment	51,444	6,220	-	57,664
Cash at bank and on hand	260,891	-	-	260,891
Restricted cash	146,188	-	-	146,188
	517,342	6,220	-	523,562
	528,187	6,220	-	534,407
Non-current financial liabilities				
Borrowings	340,425	-	-	340,425
Lease liabilities	628,325	-	-	628,325
	968,750	-	-	968,750
Current financial liabilities				
Trade and other payables	305,434	-	-	305,434
Borrowings	152,835	-	-	152,835
Lease liabilities	62,531	-	-	62,531
Derivatives	-	372	-	372
	520,800	372	-	521,172
	1,489,550	372	-	1,489,922

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35. Accounting classes and fair values (continued)

Company	Amortised costs	FVTPL	FVOCI	Total carrying amount
In millions of Nigerian Naira				
31 March 2022				
Non-current financial assets				
Other Investments	10,587	-	-	10,587
	10,587	-	-	10,587
Current financial assets				
Trade and other receivables	88,715	-	-	88,715
Current investment	23,058	14,602	6,179	43,839
Cash at bank and on hand	198,610	-	-	198,610
Restricted cash	210,413	-	-	210,413
	520,796	14,602	6,179	541,577
	531,383	14,602	6,179	552,164
Non-current financial liabilities				
Borrowings	324,538	-	-	324,538
Lease liabilities	680,745	-	-	680,745
	1,005,283	-	-	1,005,283
Current financial liabilities				
Trade and other payables	330,519	-	-	330,519
Borrowings	170,194	-	-	170,194
Lease liabilities	71,846	-	-	71,846
	572,559	-	-	572,559
	1,577,842	-	-	1,577,842
31 December 2021				
Non-current financial assets				
Other Investments	10,845	-	-	10,845
	10,845	-	-	10,845
Current financial assets				
Trade and other receivables	67,476	-	-	67,476
Current investment	51,444	6,220	-	57,664
Cash at bank and on hand	247,024	-	-	247,024
Restricted cash	146,188	-	-	146,188
	512,132	6,220	-	518,352
	522,977	6,220	-	529,197
Non-current financial liabilities				
Borrowings	340,425	-	-	340,425
Lease liabilities	628,325	-	-	628,325
	968,750	-	-	968,750
Current financial liabilities				
Trade and other payables	304,470	-	-	304,470
Borrowings	152,835	-	-	152,835
Lease liabilities	62,531	-	-	62,531
Derivatives	-	372	-	372
	519,836	372	-	520,208
	1,488,586	372	-	1,488,958

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36. Fair value estimation

Where a financial asset or liability is carried on the statement of financial position at fair value, additional disclosure is required. In particular, the fair values need to be classified in accordance with the fair value hierarchy. This fair value hierarchy distinguishes between different fair value methodologies based on the level of subjectivity applied in the valuation. The fair value hierarchy is split into the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities (e.g. the price quoted on a stock exchange for a listed share),

Level 2: Valuation techniques with inputs other than quoted prices (included within level 1) that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (e.g. a valuation that uses observable interest rates or foreign exchange rates as inputs),

Level 3: Valuation techniques with inputs that are not based on observable market data (that is, unobservable inputs) (e.g. a valuation that uses the expected growth rate of an underlying business as input).

The financial instruments measured at fair value are presented below.

Group and Company

In millions of Nigerian Naira	Level 1	Level 2	Level 3	Total
31 March 2022				
Financial assets				
Treasury bills at FVTPL	14,602	-	-	14,602
Treasury bills at FVOCI	6,179	-	-	6,179
	20,781	-	-	20,781
31 December 2021				
Financial assets				
Treasury bills at FVTPL	6,220	-	-	6,220
	6,220	-	-	6,220
Financial liabilities				
Derivatives	-	372	-	372
	-	372	-	372

Financial assets and financial liabilities at amortised cost – The carrying value of current receivables and liabilities measured at amortised cost approximates their fair value.

37. Financial instruments and risk management

37.1 Capital risk management

The Group seeks to optimise its capital structure by ensuring adequate gearing levels taking into consideration working capital, cash flow, existing loan covenants, operational requirements, business plan and broader macro-economic conditions.

It maximizes external borrowings on the back of its strong cash generating capacity. In line with its funding policy, the Group diversifies funding sources across local and international markets and ensures that new facility conditions comply with existing loan covenants.

Management monitors net debt to EBITDA and EBITDA to net interest in line with the financial covenants in the loan agreement while it seeks to limit refinancing risk by controlling the concentrations of maturing obligations in the short end of maturity profile. Equity approximates share capital and reserves. EBITDA is defined as earnings before interest, tax, depreciation, amortisation and goodwill impairment/losses.

Gross debt relates to MTN Nigeria syndicated medium term loan and commercial paper, net debt is the gross debt less cash and cash equivalents and total funding is gross debt plus equity.

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37. Financial instruments and risk management (continued)

In millions of Nigerian Naira		Group		Company	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
Revenue	4	470,984	1,654,299	470,691	1,346,288
Operating expenses excluding depreciation and amortisation		(213,836)	(887,071)	(211,734)	(566,488)
EBITDA		257,148	767,228	258,957	779,800
Gross debt	22	494,732	493,260	494,732	493,260
Cash and cash equivalents	21	(210,704)	(260,891)	(198,610)	(247,024)
Net debt		284,028	232,369	296,122	246,236
Gross debt	22	494,732	493,260	494,732	493,260
Equity		356,984	264,981	391,166	296,997
Total funding		851,716	758,241	885,898	790,257
Gross debt: Total funding		58 %	65 %	56 %	62 %
Net debt: Total funding		33 %	31 %	33 %	31 %
Net debt: EBITDA		110 %	30 %	114 %	32 %

37.2 Credit risk

Credit risk or the risk of financial loss to the Group due to customers or counter parties not meeting their contractual obligations and is managed through the application of credit approvals, limits and monitoring procedures.

The Group's maximum exposure to credit risk is represented by the carrying amount of the financial assets that are exposed to credit risk

The following instruments give rise to credit risk:

In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Other Investments	10,587	10,845	10,587	10,845
Cash and cash equivalents	210,704	260,891	198,610	247,025
Trade and other receivables	77,364	58,819	88,715	67,476
Restricted Cash	210,641	146,188	210,413	146,188
Current investments	23,058	51,444	23,058	51,444
	532,354	528,187	531,383	522,978

Cash and cash equivalents and restricted cash

The Group's exposure and the credit ratings of its counter parties are continuously monitored and the aggregate values of investment portfolio is spread amongst approved financial institutions, which are lending institutions to the Group. The Group's Cash investment activity is based on the SLY (Safety, Liquidity and Yield) principle while it also limits its cash holdings in a financial institution to a maximum of 20% of total investment portfolio to manage concentration risk. The exposure is controlled by a right of setoff and counter party exposure limits.

The National Long Term credit ratings of the counterparty financial institutions where we have bank deposits and restricted cash range from AAA to BBB-.

Expected Credit Losses (ECLs) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. In determining the cash flows that the Group expects to receive, the Group apply the probability of default (default rate) based on rating by international credit rating agencies like S&P, Moody's and Fitch as well as local ratings by Agosto and Co.

Total estimated credit loss as at 31 March 2022 stood at N152 million (31 December 2021: N603 million) while credit loss income for the period is N451 million (31 March 2021: Nil).

The credit ratings of the counterparty financial institutions where we have bank deposits and restricted cash range from B- to B.

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37. Financial instruments and risk management (continued)

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Group: ECL for gross trade receivables of N53.33 billion (2021: N43.43 billion) was N8.72 billion (2021: N9.08 billion);
Company: ECL for gross trade receivables of N53.05 billion (2021: N42.47 billion) was N8.30 billion (2021: N8.66 billion).

The Group holds collateral as security for trade receivables relating to trade partners. These are bank guarantees held with bank with credit ratings of B- to B. A total of N3.825 billion was held as collateral for same value of receivables as at 31 March 2022 (December 2021: N3.95 billion). Trade partners are to pay within seven days of credit advanced. In the event of default, the bank guarantee is recalled immediately to offset the credit.

Current and other investments

Current and other investments are all liquid assets that consist of marketable securities. They are primarily selected based on the funding and liquidity plan of the Group and from issuers with the least known credit and default risk. In connection with investment decisions, priority is placed on the issuer's very high creditworthiness and the present yield/interest rates offered. In this assessment, the Group also considers the credit risk assessment of the issuer by the rating agencies such as Fitch, Standards and Poor (S&P). The Federal Government of Nigeria (FGN) has one of the lowest credit risks known in the country and in a possibility of default, it could simply increase the circulation of money in the country or borrow from international sources to pay off its local debt. In line with the Group's risk policy, its investments in treasury bills have no historical rate of default and the investments can be liquidated and sold at the prevalent market rates at that point in time. The international rating for the FGN is B-, a speculative grade, for its Short-Term Local Currency Issuer Default Rating (IDR) which is a stable rating but not yet at the investment grade level which is hardly given to African Countries. Current investments are thus not subject to a material credit risk and are allocated to stage 1 of the impairment model.

The National Long Term credit ratings of the counterparty financial institutions where we have current investments range from AAA to BBB-.

Expected Credit Losses (ECLs) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. In determining the cash flows that the Group expects to receive, the Group apply the probability of default (default rate) based on rating by international credit rating agencies like S&P, Moody's and Fitch as well as local ratings by Agosto and Co.

Total estimated credit expense reversal as at 31 March 2022 stood at N51 million (31 December 2021: N294 million) while credit loss expense for the period stood at N922 million (31 March 2021: N757 million).

The credit ratings of the counterparty financial institutions where we have current investments range from B- to B.

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37. Financial instruments and risk management (continued)

Reconciliation of gross carrying amount and related ECL

In millions of Nigerian Naira	Cash and cash equivalent	Current investments	Other investments	Total ECL
Group				
Balance as at 1 January 2021	275,198	121,803	25,847	(919)
Net movement during the year	(9,059)	-	-	-
Purchase	-	41,754	3,340	-
Sale	-	(112,041)	(18,360)	-
Exchange loss	(5,272)	-	-	-
Allowance for expected credit losses	24	(72)	18	(30)
Balance as at 31 December 2021	260,891	51,444	10,845	(949)
Net movement during the year	(48,369)	-	-	-
Purchase	-	9,500	25	-
Sale	-	(37,937)	(284)	-
Exchange loss	(2,269)	-	-	-
Allowance for expected credit losses	451	51	1	503
Balance as at 31 March 2022	210,704	23,058	10,587	(446)
Company				
Balance as at 1 January 2021	271,041	121,803	25,847	(919)
Net movement during the year	(18,768)	-	-	-
Purchase	-	41,754	3,340	-
Sale	-	(112,041)	(18,360)	-
Exchange loss	(5,272)	-	-	-
Allowance for expected credit losses	24	(72)	18	(30)
Balance as at 31 December 2021	247,025	51,444	10,845	(949)
Net movement during the year	(46,597)	-	-	-
Purchase	-	9,500	25	-
Sale	-	(37,937)	(284)	-
Exchange loss	(2,269)	-	-	-
Allowance for expected credit losses	451	51	1	503
Balance as at 31 March 2022	198,610	23,058	10,587	(446)

37.3 Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due. The Group's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures it has sufficient cash on demand (currently the Group is maintaining a positive cash position) or access to facilities to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the liquid resources:

In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Cash and cash equivalents	210,704	260,891	198,610	247,025
Trade and other receivables	77,364	58,819	88,715	67,476
Current investments	43,839	57,664	43,839	57,664
	331,907	377,374	331,164	372,165

The following are the contractual maturities of financial liabilities:

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37. Financial instruments and risk management (continued)

Group

In millions of Nigerian Naira	Notes	Carrying amount	Payable within one month or on demand	More than one month but not exceeding three months	More than three months but not exceeding one year	More than one year but not exceeding two years	More than two years but not exceeding five years	More than five years	Total
31 March 2022									
Trade and other payables	29	330,586	52,502	148,241	129,843	-	-	-	330,586
Current borrowings	22	170,194	5,000	24,617	168,069	-	-	-	197,686
Current lease liability	29	71,846	37,846	-	116,730	-	-	-	154,576
Non current borrowings		324,538	-	-	-	92,897	156,945	258,175	508,017
Non current lease liability		680,745	-	-	-	169,822	446,603	403,611	1,020,036
		1,577,909	95,348	172,858	414,642	262,719	603,548	661,786	2,210,901
31 December 2021									
Trade and other payables	29	305,434	117,357	188,077	-	-	-	-	305,434
Derivatives	22	372	-	-	372	-	-	-	372
Current Borrowings	22	152,835	15,464	7,812	170,395	-	-	-	193,671
Current lease liability	29	62,531	36,393	33,670	69,855	-	-	-	139,918
Non current borrowings		340,425	-	-	-	99,059	186,753	275,626	561,438
Non current lease liability		628,325	-	-	-	139,554	406,709	398,481	944,744
		1,489,922	169,214	229,559	240,622	238,613	593,462	674,107	2,145,577

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37. Financial instruments and risk management (continued)

Company

	Notes	Carrying amount	Payable within one month or on demand	More than one month but not exceeding three months	More than one month but not exceeding three months	More than one year but not exceeding two years	More than two years but not exceeding five years	More than five years	Total
				exceeding three months	three months exceeding one year	year but not exceeding two years	years		
31 March 2022									
Trade and other payables	29	330,519	51,829	146,342	132,348	-	-	-	330,519
Current borrowings	22	170,194	5,000	24,617	168,069	-	-	-	197,686
Current lease liability	29	71,846	37,846	-	116,730	-	-	-	154,576
Non current borrowings		324,538	-	-	-	92,897	156,945	258,175	508,017
Non current lease liability		680,745	-	-	-	169,822	446,603	403,611	1,020,036
		1,577,842	94,675	170,959	417,147	262,719	603,548	661,786	2,210,834
31 December 2021									
Trade and other payables	29	304,470	115,854	188,616	-	-	-	-	304,470
Derivatives	22	372	-	-	372	-	-	-	372
Current borrowings	22	152,835	15,464	7,812	170,395	-	-	-	193,671
Current lease liability	29	62,531	-	33,670	69,855	-	-	-	103,525
Non current borrowings		340,425	-	-	-	99,059	186,753	275,626	561,438
Non current lease liability		628,325	-	-	-	139,554	406,709	398,481	944,744
		1,488,958	131,318	230,098	240,622	238,613	593,462	674,107	2,108,220

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37. Financial instruments and risk management (continued)

37.4 Interest rate risk

Interest rate risk is the risk that the cash flow or fair value of an interest bearing financial instrument will fluctuate because of changes in market interest rates.

Financial assets and liabilities that are sensitive to interest rate risk are cash and cash equivalents, short term investments and borrowings. The interest rates applicable to these financial instruments are on a combination of floating and fixed basis in line with those currently available in the market.

The Group's interest rate risk arises from the repricing of the Group's floating rate debt, incremental funding or new borrowings, the refinancing of existing borrowings and the magnitude of the significant cash balances which exist. The Group manages its debt on an optimal mix of local and foreign borrowings and fixed and floating interest rates.

Profile

At the reporting date the interest rate profile of the Group's financial instruments is as follows:

In millions of Nigerian Naira	31 March 2022			31 December 2021		
	Fixed rate instruments	Variable rate instruments	Non interest bearing	Fixed rate instruments	Variable rate instruments	Non interest bearing
Group						
Financial assets						
Cash and cash equivalents	210,704	-	-	260,891	-	-
Current investments	43,839	-	-	57,664	-	-
Restricted cash	-	-	210,641	-	-	146,188
Trade and other receivables	-	-	77,364	-	-	58,819
Other investments	10,587	-	-	10,845	-	-
	265,130	-	288,005	329,400	-	205,007
Financial liabilities						
Trade payables	-	-	100,249	-	-	63,831
Other accrued expenses	-	-	203,894	-	-	208,239
Other payables	-	-	532	-	-	527
Amounts due to related parties	-	25,911	-	-	32,839	-
Current borrowings	51,534	118,660	-	6,182	146,653	-
Non-current borrowings	308,988	15,550	-	194,516	145,909	-
	360,522	160,121	304,675	200,698	325,401	272,597
Company						
Financial assets						
Cash and cash equivalents	198,610	-	-	247,025	-	-
Current investments	43,839	-	-	57,664	-	-
Restricted cash	-	-	210,413	-	-	146,188
Trade and other receivables	-	-	88,715	-	-	67,476
Other investments	10,587	-	-	10,845	-	-
	253,036	-	299,128	315,534	-	213,664
Financial liabilities						
Trade payables	-	-	100,903	-	-	63,813
Other accrued expenses	-	-	202,836	-	-	206,953
Other payables	-	-	532	-	-	527
Amounts due to related parties	-	26,248	-	-	33,176	-
Current borrowings	51,534	118,660	-	6,182	146,653	-
Non-current borrowings	308,988	15,550	-	194,516	145,909	-
	360,522	160,458	304,271	200,698	325,738	271,293

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37. Financial instruments and risk management (continued)

Interest rate sensitivity

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

The Group has used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous increase or decrease of 1% (100 basis points) in market interest rates, from the rate applicable as at the end of period/year, for each class of financial instrument with all other variables remaining constant.

The Group is mainly exposed to fluctuations in the following market interest rates: LIBOR and NIBOR. Changes in market interest rates affect the interest income or expense of floating rate financial instruments. Changes in market interest rates only affect profit or loss in relation to financial instruments with fixed interest rates if these financial instruments are recognised at their fair value.

A change in the above market interest rates at the reporting date would have increased/(decreased) profit before tax by the amounts shown below.

The analysis has been performed on the basis of the change occurring at the reporting date and assumes that all other variables, in particular foreign currency rates, remains constant. The analysis is performed on the same basis for prior year.

Group and Company	31 March 2022			31 December 2021		
	Increase/(decrease) in profit before tax			Increase/(decrease) in profit before tax		
	Change in interest rate	Upward change in interest rate	Downward change in interest rate	Change in interest rate	Upward change in interest rate	Downward change in interest rate
	%	N'million	N'million	%	N'million	N'million
LIBOR	1	(220)	220	1	(243)	243
NIBOR	1	(2,527)	2,527	1	(2,588)	2,588

Currency risk

Currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities.

The Group manages foreign currency risk on major foreign denominated purchase orders through the use of Letters of Credit. The Group has also entered into a currency swap arrangement to enhance dollar liquidity to address critical operational requirements.

Sensitivity analysis

The Group is mainly exposed to fluctuations in foreign exchange rates in respect of the US Dollar, being the significant foreign denominated currency.

The Group has used a sensitivity analysis technique that measures the estimated change to the income statement of an instantaneous 10% strengthening or 5% weakening in the Nigerian Naira against the US Dollar, from the rate applicable as at period/year end, for each class of financial instrument with all other variables, in particular interest rates, remaining constant.

A change in the foreign exchange rates to which the Group is exposed at the reporting date would have increased/(decreased) profit before tax by the amounts shown below.

The analysis has been performed on the basis of the change occurring at the start of the reporting period. The analysis is performed on the same basis for the Group.

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37. Financial instruments and risk management (continued)

Transactions in foreign currencies other than US Dollars were not significant.

Group and Company	31 March 2022		31 December 2021	
	Increase/(decrease) in profit before tax		Increase/(decrease) in profit before tax	
	10% weakening in Naira, resulting in a decrease in profit before tax	5% strengthening in Naira, resulting in an increase in profit before tax	10% weakening in Naira, resulting in a decrease in profit before tax	5% strengthening in Naira, resulting in an increase in profit before tax
In millions of Nigerian Naira				
Denominated: Functional				
USD:NGN	(24,054)	12,027	(19,567)	9,784

38. Commitments for the acquisition of property, equipment and software

In millions of Nigerian Naira	Group		Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Contracted for	284,814	164,656	284,814	164,656
Approved but not contracted for	184,162	273,640	184,162	273,640
Total commitments for property, equipment and software	468,976	438,296	468,976	438,296

This committed expenditure relates to acquisition of property, equipment and software

39. Going concern

In accordance with the requirements of IAS 1.25, the Board of Directors of MTN Communications Nigeria Plc have performed an assessment of the entity's ability to continue as a going concern when preparing financial statements. The Board has considered whether:

- there is an intention to liquidate MTN Nigeria.
- there is an intention to cease operations.
- MTNN has no realistic alternative but to liquidate or cease operations.

Furthermore, we have considered the various events and conditions below that may exist and impact the business individually or collectively may cast significant doubt on the entity's ability to continue as a going concern such as:

- There are no fixed-term borrowings approaching maturity without realistic prospects of renewal or repayment. We are currently complying with all loan agreements and no loans have been renegotiated.
- There are currently no changes in legislation or government policy expected to adversely affect MTN Communications Nigeria Plc.
- There are no substantial operating losses or significant deterioration in the value of assets used to generate cash flows, however there's been a major impact of forex deterioration on the business due to the increase in the NAFEX rate from N387 to around N416.09 to \$1. There is an ongoing effort to re-denominate some categories of foreign denominated expenditure to local currency to reduce exposure to exchange rate volatility.
- There are no plans to restructure the business of MTN Nigeria, dispose major assets or business.
- An assessment of forecast cash flows and projections has been performed, including potential impact of external/internal variations, uncertainties and sensitivity of expenditure plans. We are satisfied that the business continuity is not hindered in any way or manner.

Based on the factors considered above and taking account of reasonable possible changes in trading performance and the current financial position, the going concern basis has been adopted in preparing the consolidated financial statements. The Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

40. Securities trading policy

MTN Nigeria Communications Plc has in place a Securities Trading Policy which guides the Board and employees when effecting transactions in the Company's shares. The Policy provides for periods for dealing in shares and other securities, established communication protocols on periods when transactions are not permitted to be effected on the Company's shares as well as disclosure requirements when effecting such transactions.

Insiders covered in this Policy have not notified the Company of any dealing in the Company's securities within this period and the Company is not aware of any breach of this policy within the period.

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41. Shareholders and their interest

Share range	Number of shareholders	% of shareholder	Number of holdings	% shareholding
1 - 10,000	133,309	95.9244	91,562,718	0.45
10,001 - 50,000	3,641	2.6199	83,408,438	0.41
50,001 - 100,000	746	0.5368	56,020,476	0.28
100,001 - 500,000	822	0.5915	186,922,091	0.92
500,001 - 1,000,000	163	0.1173	123,159,401	0.61
1,000,001 - 5,000,000	188	0.1353	432,044,660	2.12
5,000,001 - 10,000,000	39	0.0281	276,158,281	1.36
10,000,001 - 50,000,000	50	0.0360	1,024,861,694	5.04
50,000,001 - 100,000,000	4	0.0029	269,071,073	1.32
100,000,001 - 500,000,000	8	0.0058	1,620,403,118	7.96
500,000,001 - 1,000,000,000	2	0.0014	1,366,607,050	6.71
1,000,000,001 - Above	1	0.0007	14,824,294,050	72.83
	138,973	100	20,354,513,050	100

As at 31 March 2022, MTN International (Mauritius) Limited with total interest of 72.83% held more than 5% of the issued share capital of the Company.

42. Free Float information

MTN Nigeria Communications Plc with a free float value of N583,250,903,782.00 as at 31 March 2022 (31 March 2021: N397,692,186,294.60) is compliant with the Exchange's requirements for free float for companies listed on the Premium Board.

43. Contingent liabilities

Contingent liabilities represent possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group.

The Group has N1.6 billion (December 2021: N12.1 billion) contingent liabilities arising from claims and litigations in the ordinary course of business and the Group is defending these actions. During the quarter, the facts and evidence before the court regarding those cases were reassessed and based on the best estimates, the value of possible obligation from those cases amounted to N1.6 billion. These matters are currently being considered by various courts and the timing of the judgements are unknown. In the opinion of the directors, which is based on advice from the legal counsels, no material loss is expected to arise from these claims and litigations.

44. Events after the reporting period

New Chief Operating Officer

Hassan Jaber was appointed as the new Chief Operating Officer effective 1 April 2022.

NIN-SIM linkage

On 4 and 5 April 2022, MTN Nigeria received a regulatory directive(s) from the NCC to suspend services to all SIMs not associated with National Identification Number(NIN) by barring their outgoing calls. The directive also specified that unbarring of the SIMs shall be after successful verification of the NIN in line with the Revised National Identity Policy for SIM Card Registration. Further to the receipt of the communication from the NCC, MTN has complied with the directive(s) as issued.

Payment Service Bank

On 8 April 2022, Central Bank of Nigeria (CBN) gave a final approval to MTN Nigeria to operate MoMo Payment Service Bank Limited.

Commercial Paper

On 25 April 2022, MTN Nigeria issued N127 billion Series 1 and 2 Commercial Paper.

Dividend

At the Annual General Meeting of 28 April 2022, members approved a final dividend of N8.57k per share for the year ended 31 December 2021.